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BELLSOUTH

Ben G. Almond
Vice President-
Federal Regulatory

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MAY 26 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Suite 900
1133-21st Street N.W.
Washington, D.C. 20036-3351
202 463-4112
Fax 202 463-4198
Internet: almond.ben@bsc.bls.com

May 26, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW, Room TW-A325
Washington, DC 20554

RE: In the Matter of Calling Party Pays Service Option in the Commercial
Mobile Radio Services, WT Docket No. 97-207 **Ex Parte**

Dear Ms. Salas:

This is to inform you that on May 25, representatives of BellSouth Corporation met in separate meetings with each of the following Legal Advisors: Dan Connors of Commissioner Susan Ness's office; Karen Gulick of Commissioner Gloria Tristani's office and Ari Fitzgerald of Chairman William E. Kennard's office. The purpose of the meetings was to discuss key issues related to the above referenced proceeding. The attached documents highlight the points made by Mary Jean Dennis, Art Morrison and Ben Almond, all of BellSouth Corporation.

Please associate this notification and accompanying material with the docket proceeding. The last meeting began after 4:00 P.M. which accounts for the next day filing after the meetings.

If there are any questions concerning this matter, please contact the undersigned.

Sincerely,



Ben G. Almond
Vice President-Federal Regulatory

Attachment

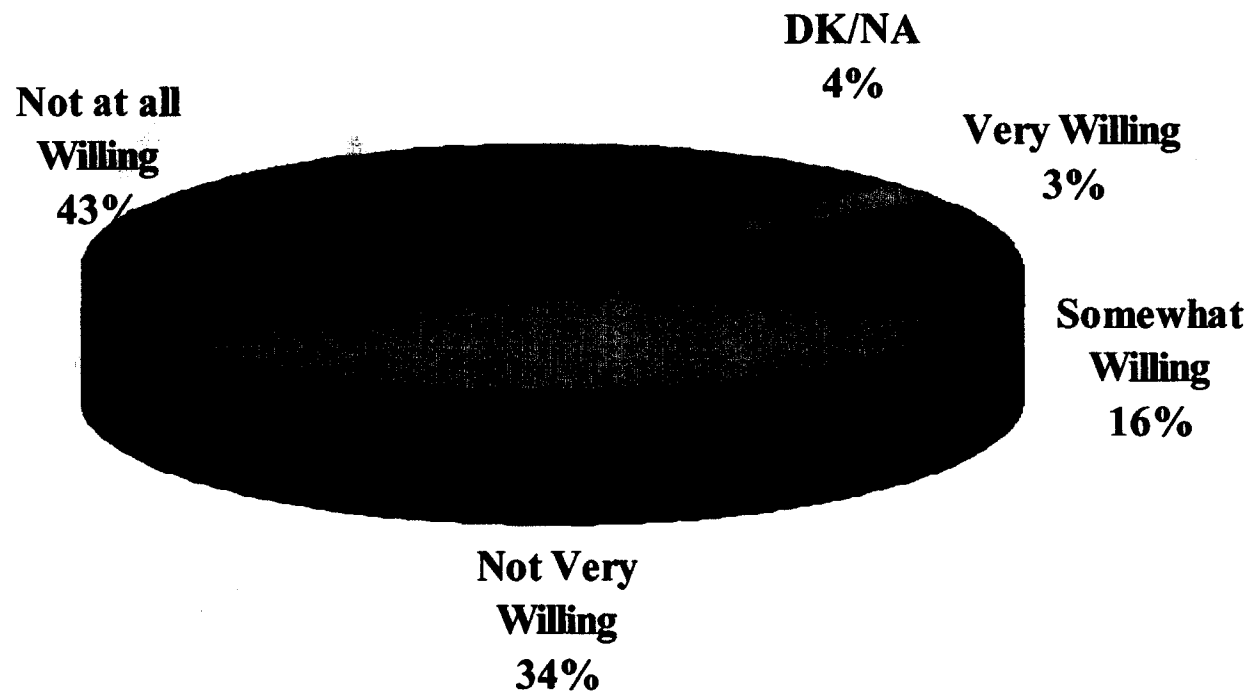
Cc: Dan Connors
Karen Gulick
Ari Fitzgerald

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List A B C D E

Issue	Domestic	International
Customer Notification	- Announcement	- None - Dedicated numbers
Technical Issues	- Modification of ISUP SS7 message header - Use of LNP to route CPP calls - Billing format conversion - Clearinghouse	- LEC provides CPP
Leakage	- Pay phones - Hospitals - Hotel / motel - PBXs	- Very little leakage
Public Perception	- Many "special" charges on bills - Landline essentially flat rate - CPP is new charge	- No major changes - Landline usage based - CPP established early on
Environment	- Highly competitive - LNP - Large number of carriers - Wireless growing rapidly - Airtime prices low	- Less competitive - No LNP - Few carriers - Wireless growing rapidly - Airtime prices higher
CPP Infrastructure	- High cost - Complex	- Low cost - Simple

Calling Party Pays: Not a Great Reception

Would you be Willing to Pay for Calls to a Wireless Phone or Pager?



**Base: 616 Respondents
General User Survey**



BellSouth's Position on Calling Party Pays

- ▶ BellSouth provides CPP internationally and may provide CPP domestically based on market demand
- ▶ BellSouth opposes any FCC action which imposes mandatory CPP for CMRS or additional obligations on LECs to support CPP
- ▶ CPP is unlikely to have a significant impact on local competition

BellSouth Provides CPP Internationally and May Provide CPP Domestically Based on Market Demand

- ▶ BellSouth currently offers CPP in 12 international markets: Argentina, Brazil, Chile, Denmark, Ecuador, Germany, Israel, Nicaragua, Panama, Peru, Venezuela, Uruguay (India 8/99)
- ▶ International CPP models do not apply to domestic CPP
- ▶ International models utilize dedicated numbering resources, require no customer notification, bill all landline calls based on MOU, and rely upon LEC provisioned CPP
- ▶ No party supports mandatory CPP

BellSouth opposes any FCC action which imposes mandatory CPP for CMRS or additional obligations on LECs to support CPP

- ▶ Mandatory CPP for CMRS is not in the public interest
- ▶ LEC "B&C" was deregulated in 1986
- ▶ LEC "B&C" is not a Title II common carrier service
- ▶ No basis for exercise of ancillary jurisdiction to mandate LEC "B&C" for CPP
- ▶ LEC ratepayers/shareholders should not be required to subsidize CMRS-CPP by providing mandated billing/collection or any other components of CPP

CPP Is Unlikely to have a Significant Impact on Local Competition

- ▶ **The Yankee Group - 1998 *Mobile User Survey*** indicates that only 19% of the general public would be willing to pay for calls to a wireless phone/pager
- ▶ Single rate and free incoming pricing plans are stimulating usage and increasing percent of incoming calls
- ▶ BellSouth's experiences with CPP are not encouraging; no party has offered encouraging trial results